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Russian Federation

Oilseeds and Products

Peanut Sector

2003

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Report Highlights:

Russia does not produce any peanuts, and therefore relies on imports to meet domestic needs. The popularity of all nuts, including peanuts, is increasing as snack food consumption expands. China currently supplies the majority of Russia's imported peanuts.

Includes PSD Changes: No
Includes Trade Matrix: Yes
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Production

Russia does not grow peanuts. Therefore, imports are required for all food processing and snack food needs.

Consumption

In the absence of official consumption data and the lack of peanut production in Russia, Post equates peanut consumption with imports. Consumption has been increasing since the beginning of 1995, and in CY 2002 was 82,833 metric tons. Imports and consumption of peanuts in CY 2003 are forecast to exceed 90,000 metric tons, based on the fact that from January to August 2003 Russia already imported 56,212 metric tons, five percent more than in the same period last year.

Industrial Consumption of Peanuts

Peanuts are widely used by the food processing industry in Russia to manufacture confectionary and bakery products, including chocolates, waffle cakes, and other packaged dessert items. Although official data is not available, other indicators show that industrial consumption of peanuts is increasing rapidly. Peanuts account for an estimated 60 percent of total nut consumption in the processing sector.

Peanuts are not crushed to manufacture peanut butter, and until now this product is not well known or very popular in Russia.

Snack Food Consumption

Peanuts in various forms such as roasted, salted, and with spices, are also widely consumed as snack foods, accounting for as much as 80 percent of nut consumption in this category. In particular, their low price makes them a popular choice for beer drinkers or as a snack for children. Processing is mainly done in Russia at small factories or shops from raw shelled peanuts. However, there are also a number of popular imported brands from Germany, Poland, and other countries.

While consumption of peanuts as (or part of) snacks is increasing, snack consumption of other nuts (almonds and pistachios, in particular) is growing at an even faster rate. In addition, other salty snacks, including potato and wheat or corn flour-based snacks are taking an increasingly larger share of the snack food market.

Trade

Russia imports peanuts mostly for use in confectionery products and in snacks. In 2002, Russia's total imports of tree nuts (HS codes 0801 and 0802, except coconuts) were 20,821 metric tons, while imports of peanuts reached 82,833 metric tons (HS code 1202). The structure of imports by type of nuts is given in the table below.

Table 1. Imports of selected nuts and peanuts in 1997-2002, and in January-August 2003

		1997	1998	1999	2000	2001	2002	Jan-Aug 2003
HS Code								
	0801 COCO,BRAZL,CASHW NUTS	0	5 359	3 743	6 195	8 952	13 076	10 153
080111	COCONUTS, DESSICATED	0	1 572	1 947	4 110	5 369	7 879	5 743
080119	COCONUTS, OTHER THAN DESSICATED	2 929	1 842	861	988	1 905	2 755	1 052
080121	BRZL,FRSH/DRY,IN SH	3	3	0	0	7	3	0
080122	BRZL,FRSH/DRY,SHELD	56	83	60	131	162	488	1 010
080130	CASHEW,FRESH,DRIED	0	0	0	0	0	0	0
080131	CASH,FRSH/DRY,IN SH	66	13	16	0	47	247	0
080132	CASH,FRSH/DRY,SHELD	2 499	1 846	858	967	1 461	1 703	0
	0802 OTHER NUT,FRESH,DRIED	0	0	7 858	15 917	21 466	18 379	12 044
080211	ALMONDS,IN SHELL	472	766	178	79	89	32	63
080212	ALMONDS,SHELLED	2 284	3 268	1 108	2 694	5 063	5 442	3 966
080221	HAZEL,FILBERT+SHELL	332	182	71	141	348	670	302
080222	HAZEL,FILBRT,SHELLD	3 006	5 033	2 131	2 957	5 039	3 965	2 340
080231	WALNUTS,IN SHELL	2 923	2 855	699	4 369	4 689	2 022	752
080232	WALNUTS,SHELLED	0	231	77	477	1 671	1 029	735
080240	CHESTNUTS	15	383	4	804	13	183	2
080250	PISTACHIOS	0	4 275	2 813	4 954	4 450	5 166	3 763
080290	OTHER 0802	1 780	0	777	246	104	51	122
	1202 RAW PEANUTS	48 911	39 260	48 367	57 207	79 976	82 833	56 212
120201	PEANUTS IN SHELL	4 274	1 653	1 830	792	2 339	1 752	3 439
120202	PEANUTS, SHELLED	44 636	37 608	46 537	56 414	77 637	81 081	52 773

Source: State Customs Data
Data in Metric Tons

Peanut imports have been increasing annually with the exception of CY 1998, when due to the economic crises, imports dropped by 20 percent. However, trade rebounded to the 1997 level the next year. Since 1998, imports have increased over 110 percent, with imports from China comprising 90 percent of the total, up from 52 percent in 1994.

Table 2. Russia's Imports of Raw Peanuts by Country, Metric Tons

	1994	1995	1996	1997	1998	1999	2000	2001	2002	Jan-Aug 2003
--The World--	34 074	28 222	36 097	48 911	39 260	48 367	57 207	79 976	82 833	56 212
China	17 662	18 871	27 299	29 121	19 606	39 219	38 685	60 657	74 665	47 801
Uzbekistan	1 802	659	409	513	458	1 589	9 672	11 087	3 543	3 843
Argentina			413	2 963	2 571	2 684	1 703	2 377	2 219	1 931
Tajikistan	13	120	154	334	370	292	3 072	4 344	1 110	1 895
United States	7 335	728	602	1 672	2 518	613	423	557	732	636
Vietnam		1 761	1 391	578	170	0	3	4	240	19
South Africa	14			43	10	0	0	0	109	0
Kazakhstan	5	14	68	52	88	164	116	282	58	22
Senegal				0	180	50	79	144	47	0
India	2 156	1 886	942	5 206	10 747	2 010	3 055	186	37	0
Kyrgyzstan	11	24	113	201	543	1 012	205	10	25	0
Turkey	225	66	499	2 319	27	17	4	4	2	1
Czech Republic	154	674	2 984	1 874	1	0	0	0	0	0
Netherlands	1 299	1 600	587	1 700	519	300	20	68	0	0
Greece	173	33	326	941	512	369	19	0	0	2
Other	3 226	1 642	310	1 393	943	48	149	256	46	62

Source: State Customs Statistical Data

Note: Countries are ranked by volume of imports in CY 2002.

There is no official data on the price of imported peanuts, but the average customs value of raw peanuts in 2002 was \$275 per metric ton. The average customs value of peanuts from China was \$256 per metric ton, while the average customs value of peanuts from the United States was \$1055 per metric ton.

Peanuts in Shell

Table 3. Imports of Peanuts in Shell

		1997	1998	1999	2000	2001	2002	Jan-Aug 2003
0	--The World--	4 274	1 653	1 830	792	2 339	1 752	3 438
1	China	833	1 312	1 607	342	2 063	1 662	3 046
2	Tajikistan	71	67	30	377	115	48	227
3	Uzbekistan	67	50	42	52	127	33	149
4	Vietnam	453	0	0	0	1	4	4
5	Poland	10	12	1	3	0	3	10
6	Turkey	1 179	12	1	2	3	2	0
7	Syria	0	18	0	0	0	0	0
8	United Arab Emirates	112	0	0	0	0	0	0
9	United Kingdom	0	0	0	0	0	0	0
10	United States	110	1	0	0	0	0	0
	Other countries	1 421	180	149	18	31	0	2

Source: State Customs Data
Data in Metric Tons

Imports of peanuts in shell increased along with the development of the snack processing industry. Almost all peanuts in shell are imported from China.

Shelled Peanuts

Table 4. Imports of Shelled Peanuts, by Major Countries, Metric Tons

		1997	1998	1999	2000	2001	2002	Jan-Aug 2003
0	--The World--	44 636	37 608	46 537	56 414	77 637	81 081	52 773
1	China	28 288	18 294	37 611	38 343	58 594	73 003	44 755
2	Uzbekistan	447	407	1 547	9 620	10 960	3 510	3 694
3	Argentina	2 554	2 571	2 587	1 703	2 377	2 219	1 931
4	Tajikistan	263	303	262	2 695	4 229	1 062	1 669
5	United States	1 563	2 517	613	423	557	732	636
6	Vietnam	126	170	0	3	4	237	15
7	South Africa	43	10	0	0	0	109	0
8	Kazakhstan	31	78	158	110	255	58	22
9	Senegal	0	180	50	79	144	47	0
10	India	4 668	10 675	2 010	3 055	186	37	0
	Other countries	6 653	2 404	1 699	381	332	68	51

Source: State Customs Data

The range of countries from which Russia imports shelled peanuts is more diverse than the range of sources of peanuts in shell. For example, imports also come from some CIS countries and the United States. After the post-crises collapse in trade of more expensive U.S. peanuts, imports from the United States have grown since 2000, and in the period January-August 2003, Russia imported forty-six percent more peanuts from the United States than in the same period last year.

Duties and Taxes

The import duty on peanuts is five percent of the customs value and developing countries have standard deductions in import duties. Imports from countries that are members of the Customs Union with Russia are duty free.

Phytosanitary Requirements

A phytosanitary certificate is required to import and imports are subject to the standard plant quarantine and sanitary procedures at customs.